

Warranty

(a) During the Warranty Period, Microsoft warrants that the **Xbox One** or Accessory will not malfunction under Normal Use Conditions. Except where restricted by law, this warranty is non-transferrable and is limited to You, the original purchaser.

(b) This is the only warranty Microsoft gives for Your **Xbox One** or Accessory and Microsoft gives no other guarantee, warranty, or condition, express, statutory, implied or collateral. No one else may give any guarantee, warranty, or condition on Microsoft's behalf.

(c) If Your state's or province's law gives You any implied warranty, including an implied warranty of merchantability or fitness for a particular purpose, its duration is limited to the warranty period. Some States or Provinces do not allow limitations on how long an implied warranty lasts, so this limitation may not apply to You.

3.How to Get Warranty Service

(a) Before starting the warranty process, please use the trouble-shooting tips at www.xbox.com/support.

(b) If the troubleshooting tips do not resolve Your problem, then follow the online process at www.xbox.com/support. If You do not have internet access, you can contact Xbox Support.

(c) Before sending Your **Xbox One** or Accessory to Microsoft for service, be sure to keep a copy of any data You want to save, and delete anything You consider confidential. Microsoft is not responsible for Your data and may erase it.

4.Microsoft's Responsibility

(a) After You return Your **Xbox One** or Accessory to Microsoft (at your cost, unless Microsoft is required by law to pay such costs), Microsoft will inspect it.

(b) If Microsoft determines that the **Xbox One** or Accessory malfunctioned during the Warranty Period under Normal Use Conditions, Microsoft will (at its option) repair or replace it, or refund the purchase price to You. Unless restricted by law, repair may use new or refurbished parts and replacement may be with a new or refurbished unit.

(c) After repair or replacement, Your **Xbox One** or Accessory will be covered by this warranty for the longer of the remainder of Your original Warranty Period, or 95 days after Microsoft ships it to You. Where required by applicable law, the original Warranty Period will be deemed to extend for the period of time equal to the time which Your **Xbox One** or Accessory was in Microsoft's possession.

(d) The following is not intended to limit the application of Section 10 of the Quebec Consumer Protection Act, if such section is otherwise applicable. Microsoft's RESPONSIBILITY to repair or replace Your **Xbox One** or Accessory, or to refund the purchase price, is Your exclusive remedy.

(e) If Your **Xbox One** or Accessory malfunctions after the Warranty Period expires, there is no warranty of any kind. After the Warranty Period expires, Microsoft may charge You a fee for its efforts to diagnose and service any problems with Your **Xbox One** or Accessory.

5.Warranty Exclusions

Microsoft is not responsible and this warranty does not apply if Your **Xbox One** or Accessory is:

(a) damaged by use with products not sold or licensed by Microsoft (including, for example, games and accessories not manufactured or licensed by Microsoft, and "pirated" games, etc.);

(b) used for commercial purposes (including, for example, rental, pay-per-play, etc.);

(c) opened, modified, or tampered with (including, for example, any attempt to defeat any **Xbox One** or Accessory technical limitation, security, or anti-piracy mechanism, etc.), or its serial number is altered or removed;

(d) damaged by any external cause (including, for example, by being dropped, used with inadequate ventilation, etc., or failure to follow instructions in the instruction manual for the **Xbox One** or Accessory);

(e) scratched, dented, etc. or shows other cosmetic damage; or

(f) repaired by anyone other than Microsoft.

6.EXCLUSION OF CERTAIN DAMAGES

The following is not intended to limit the application of Section 10 of the Quebec Consumer Protection Act, if such section is otherwise applicable. MICROSOFT IS NOT responsible FOR

ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES; ANY LOSS OF DATA, PRIVACY, CONFIDENTIALITY, OR PROFITS; OR ANY INABILITY TO USE YOUR **XBOX ONE** or Accessory. THESE EXCLUSIONS APPLY EVEN IF MICROSOFT HAS BEEN ADVISED OF THE POSSIBILITY OF THESE DAMAGES, AND EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE. Some States or Provinces do not allow the exclusion or limitation of incidental or consequential damages, so this limitation or exclusion may not apply to You.

7.Additional Terms

If You attempt to defeat or circumvent any **Xbox One** or Accessory technical limitation, security, or anti-piracy system, You may cause Your **Xbox One** or Accessory to stop working permanently. You will also void Your warranty, and make Your **Xbox One** or Accessory ineligible for authorized repair, even for a fee.

8.Choice of Law

(a) The laws of the State or Province where You live govern the interpretation of this warranty, any claim that Microsoft has breached it, and all other claims (including consumer protection, unfair competition, implied warranty, and tort claims), regardless of conflict of law principles.

9.Binding Arbitration and Class Action Waiver for U.S. Residents

(a) Application. This section applies to any dispute **except it does not include A Dispute relating to the enforcement or VALIDITY of your, Microsoft's, or either of our licensors' intellectual property rights.** Dispute means any dispute, action, or other controversy between You and Microsoft concerning the **Xbox One** and/or the Accessory (including its price) or this warranty, whether in contract, warranty, tort, statute, regulation, ordinance, or any other legal or equitable basis. "Dispute" will be given the broadest possible meaning allowable under law.

(b) Notice of Dispute. In the event of a dispute, You or Microsoft must give the other a Notice of Dispute, which is a written statement that sets forth the name, address and contact information of the party giving it, the facts giving rise to the dispute, and the relief requested. You must send any Notice of Dispute by U.S. Mail to **Microsoft Corporation, ATTN: LCA ARBITRATION, One Microsoft Way, Redmond, WA 98052-6399.** A form is available at <http://go.microsoft.com/fwlink/?linkid=245499>. Microsoft will send any Notice of Dispute to

You by U.S. Mail to Your address if we have it, or otherwise to Your e-mail address. You and Microsoft will attempt to resolve any dispute through informal negotiation within 60 days from the date the Notice of Dispute is sent. After 60 days, You or Microsoft may commence arbitration.

(c) Small Claims Court. You may also litigate any dispute in small claims court in Your county of residence or King County, Washington, if the dispute meets all requirements to be heard in the small claims court. You may litigate in small claims court whether or not You negotiated informally first.

(d) Binding Arbitration. If You and Microsoft do not resolve any dispute by informal negotiation or in small claims court, any other effort to resolve the dispute will be conducted exclusively by binding arbitration. You are giving up the right to litigate (or participate in as a party or class member) all disputes in court before a judge or jury. Instead, all disputes will be resolved before a neutral arbitrator, whose decision will be final except for a limited right of appeal under the Federal Arbitration Act. Any court with jurisdiction over the parties may enforce the arbitrator's award.

(e) Class Action Waiver. Any proceedings to resolve or litigate any dispute in any forum will be conducted solely on an individual basis. Neither You nor Microsoft will seek to have any dispute heard as a class action, private attorney general action, or in any other proceeding in which either party acts or proposes to act in a representative capacity. No arbitration or proceeding will be combined with another without the prior written consent of all parties to all affected arbitrations or proceedings.

(f) Arbitration Procedure. Any arbitration will be conducted by the American Arbitration Association (the "AAA") under its Commercial Arbitration Rules. If You are an individual and use the Microsoft Hardware or Accessories for personal or household use, or if the value of the dispute is \$75,000 or less whether or not You are an individual or how You use the Microsoft Hardware or Accessories, its Supplementary Procedures for Consumer-Related Disputes will also apply. For more information, see www.adr.org or call 1-800-778-7879. To commence arbitration, submit the form available at <http://go.microsoft.com/fwlink/?linkid=245497> to the AAA. You agree to commence arbitration only in Your county of residence or in King County, Washington. Microsoft agrees to commence arbitration only in Your county of residence. You may request a telephonic or in-person hearing by following the AAA rules. In a dispute involving \$10,000 or less, any hearing will be telephonic unless the arbitrator finds good cause to hold an in-person hearing instead. The arbitrator may award the same damages to You

individually as a court could. The arbitrator may award declaratory or injunctive relief only to You individually, and only to the extent required to satisfy Your individual claim.

(g) Arbitration Fees and Incentives.

1. Disputes Involving \$75,000 or Less. Microsoft will promptly reimburse Your filing fees and pay the AAA's and arbitrator's fees and expenses. If You reject Microsoft's last written settlement offer made before the arbitrator was appointed ("Microsoft's last written offer"), Your dispute goes all the way to an arbitrator's decision (called an "award"), and the arbitrator awards You more than Microsoft's last written offer, Microsoft will give You three incentives: (i) pay the greater of the award or \$5,000; (ii) pay twice Your reasonable attorney's fees, if any; and (iii) reimburse any expenses (including expert witness fees and costs) that Your attorney reasonably accrues for investigating, preparing, and pursuing Your claim in arbitration. The arbitrator will determine the amount of fees, costs, and expenses unless You and Microsoft agree on them.
2. Disputes Involving More Than \$75,000. The AAA rules will govern payment of filing fees and the AAA's and arbitrator's fees and expenses.
3. Disputes Involving Any Amount. In any arbitration You commence, Microsoft will seek its AAA or arbitrator's fees and expenses, or Your filing fees if reimbursed, only if the arbitrator finds the arbitration frivolous or brought for an improper purpose. In any arbitration Microsoft commences, Microsoft will pay all filing, AAA, and arbitrator's fees and expenses. Microsoft will not seek its attorney's fees or expenses from You in any arbitration. Fees and expenses are not counted in determining how much a dispute involves.

(h) Conflict with AAA Rules. This warranty governs to the extent it conflicts with AAA's Commercial Arbitration Rules and Supplementary Procedures for Consumer-Related Disputes.

(i) Claims or Disputes Must Be Filed Within One Year. To the extent permitted by law, any claim or dispute under this warranty must be filed within one year in small claims court (Section 8(c)), an arbitration proceeding (Section 8(d)), or in court, if Section 8 permits the dispute to be filed in court instead of arbitration. The one-year period begins when the claim or Notice of Dispute first could be filed. If a claim or dispute is not filed within one year, it is permanently barred.

(j) Severability. If the class action waiver in Section 8(e) is found to be illegal or unenforceable as to all or some parts of a dispute, then it will not apply to those parts. Instead, those parts will be severed and proceed in a court of law, with the remaining parts proceeding in arbitration. If any other provision of Section 8 is found to be illegal or unenforceable, that provision will be severed with the remainder of this Section 8 remaining in full force and effect.

All parts of this Limited Warranty apply to the maximum extent permitted by law or unless prohibited by law.

9. This warranty is valid only in the United States of America and Canada.